

# Commonwealth of Massachusetts

Executive Office of Health and Human Services



## Public Payer Commission

April 10, 2014

# Outline

- Approval of Minutes
- Reminder of statutory charge and schedule of work
- Approach to recommendations
- Invited presentations
  - Massachusetts Association of Health Plans Panel
  - Massachusetts Behavioral Health Partnership

# Statutory Charge

- Section 270 of Chapter 224 of the Acts of 2012 created the Special Commission to review public payer reimbursement rates and payment systems for health care services and the impact of such rates and payment systems on providers and on health insurance premiums in the Commonwealth.
- The Commission's charge was further amended by Section 153 of Chapter 38 of the Acts of 2013.

# Purpose and Mission

- Section 270 tasks the commission to study and investigate whether public payer rates and rate methodologies provide fair compensation for health care services and promote high-quality, safe, effective, timely, efficient, culturally competent and patient-centered care.
- The commission's analysis shall include, but not be limited to:
  - An examination of MassHealth rates and rate methodologies, including, but not limited to, SPAD and PAPE to disproportionate share hospitals
  - Current and projected federal financing, including Medicare rates
  - Cost-shifting and the interplay between public payer reimbursement rates and health insurance premiums
  - Possible funding sources for increased MassHealth rates including, but not limited to, utilizing increased federal Medicaid assistance percentage funds received under the Patient Protection and Affordable Care Act of 2010, Public Law 111-148, and section 1201 of the Health Care and Education Reconciliation Act of 2010, Public Law 111-152
  - The degree to which public payer rates reflect the actual cost of care

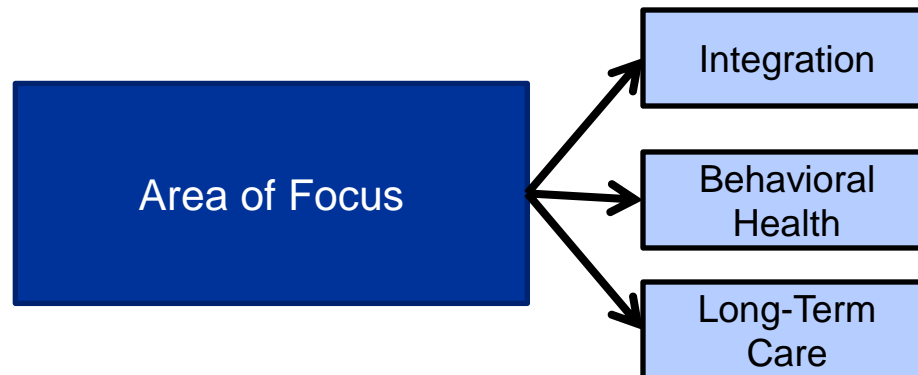


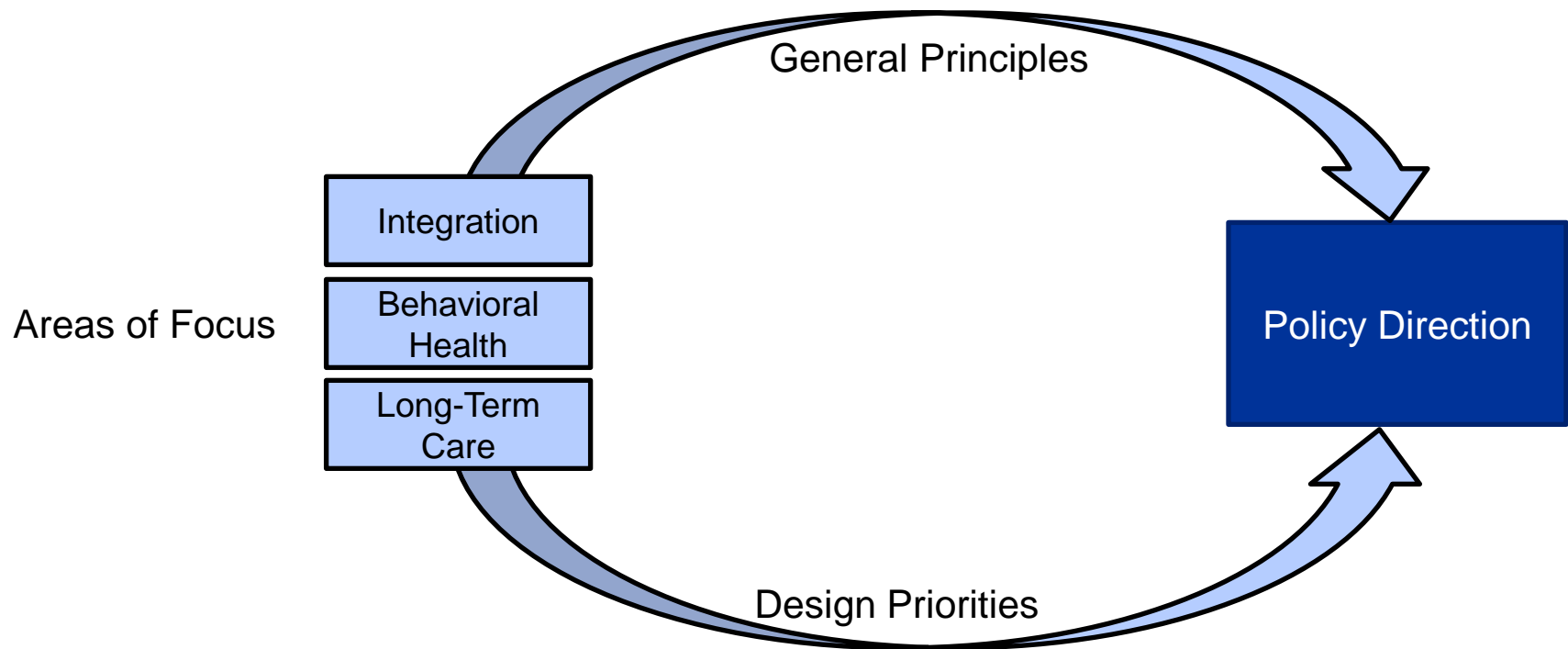
# Updated Draft Workplan

January	Overview of Commission Administrative Tasks Introduction to MassHealth Payment
February	CANCELLED
March	Prioritization of Areas for Payment/Cost Analysis Overview of Medicare Payment Issues (Dr. Katherine Baicker)
April	Innovations in Payment (Medicaid Managed Care Entities)
May	Issues in Payment Integration in Medicaid (Tricia McGinnis, MassHealth)
June	Cost-Shifting Behavioral Health Presentation
July	Long Term Care Presentation Discuss Findings and Recommendations
August	Additional Topics as Needed Finalize Report

# Recommendation Approach

- During the last Commission session, several Commissioners noted that each of the three Areas of Focus (Integration, Behavioral Health, and Long-Term Care) describes a wide range of issues, and highlighted the challenges in reaching recommendations on these issues in a timely fashion
- To help frame the process of recommendation development, we describe broad types of recommendations, namely: Principles, Priorities, and Policy Directions.





- Policy direction is set through a combination of general principles and design priorities
- The Commission can provide valuable perspective as well as guiding influence for future policy at MassHealth by developing a considered set of recommended principles and priorities, tied to each of the areas of focus.
- As we present each area of focus in the ensuing meetings, we will provide examples of these types of recommendations for the Commission's initial feedback.